

UNIVERSITY OF CALIFORNIA

New Policies Should Make Career Appointments Available to More Employees and Make Campus Practices More Consistent

Audit Highlights . . .

Our review of the University of California's (university) use of casual employees revealed the following:

- Casual employees in the same occupational group as career employees had fewer opportunities for salary increases and received fewer benefits.*
- Several factors contributed to the differences among campuses in the use of casual employees, including the extent to which they monitored casual employment.*
- Use of casual employees appeared reasonable for jobs with fluctuating or sporadic workloads.*
- In other instances, the use of casual employees was not reasonable because the employees were working full-time for several years with a minimal break in service annually, a device used to perpetuate a position's casual status.*

Finally, we found that casual employment had no uniform pattern of impact with respect to ethnic group or age group.

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Although casual employees at the University of California (university) were employed in the same occupational groups as career employees and may have worked the same number of hours for a limited time, they had fewer opportunities for merit salary increases, received significantly fewer employment benefits, and were less likely to keep their jobs during layoffs.

Until recently, the university defined casual employees as nonstudent employees appointed to work either 50 percent or more of full-time for less than a year or less than 50 percent of full-time indefinitely, while it defined career employees as employees expected to work for one year or longer at 50 percent of full-time or more. The university now refers to casual employees as limited-appointment employees and has approved new policies and agreements requiring it to convert to career status those who work more than 1,000 hours in any consecutive 12-month period.

As of October 1999 casual employees represented 9 percent of the university's employees, despite some general university policies that may have restricted its use of casual employees. The extent to which each campus used casual employees ranged from a high of 24 percent (University of California, Los Angeles) to a low of 10 percent (University of California, Davis) of casual employees to total casual and career employees. Several factors contributed to the differences among campuses in the use of casual employees. For example, the campus that had the lowest proportion of casual employees monitored casual employment centrally to a much greater degree than occurred at most other campuses. Another important factor affecting the number of casual employees was the use of outside contractors at some campuses to perform work that casual employees performed at other campuses. As a result, the number of casual employees on the campuses without these contractors may have appeared disproportionately high.

When campus and department administrators explained their reasons for using casual employees, we found that in some instances the use of casual employees appeared reasonable, but in others it did not. In making this assessment of a department's practices, we did not consider the use of casual positions reasonable when the employees worked 50 percent of full-time or more for over a year. Some kinds of work are well suited to casual employment, and we found many instances in which campuses' use of casual employees was reasonable. For example, various kinds of jobs with fluctuating workloads and jobs that benefit from having short-term, part-time staff who can fill in during peak times were generally reasonable as casual appointments.

On the other hand, we found other instances when the use of casual employees did not appear reasonable. For example, departments at one campus cited several reasons, including the uncertainty of future funding, for using casual employees as staff research associates and laboratory assistants in various research departments. However, we question this justification for using casual employees. Even though the funding may not have been available indefinitely, nothing precluded the university from providing career status to these staff research associates or laboratory assistants. Career status does not guarantee continued employment. We noted that of the 107 casual employees we reviewed in several research departments on one campus, 14 had worked full-time for more than three years, with a minimal break in service annually, a device used to perpetuate a position's casual status. Some of these employees were also working 20 to 50 hours of overtime monthly. Because these employees worked in these positions at more than 50 percent time for an extended period, we think these positions could have been converted to career status even before the new rules were established.

Finally, we also found that casual employment had no uniform pattern of impact with respect to ethnic group or age group.

Finding: Some Campuses Did Not Follow University Policies Related to Casual Employee Benefits

Certain casual employees received benefits that they were not entitled to receive and that others in their position did not because some campus administrators misunderstood university policy. Furthermore, the Payroll/Personnel System required separate codes to identify the employment type—casual or career—and to identify the package of benefits the employee was eligible to receive. However, the campuses' personnel system did not appear to provide an automated check that compared the two codes and disallowed

or flagged an entry that violated university policy. When the university is inconsistent in its treatment of employees, it exposes itself to potential morale problems and questions of fairness. In addition, when campuses provide benefits to casual employees that they are not entitled to receive, they also unnecessarily spend public funds.

To ensure that campuses fully understand the new university policies, we recommended that the Office of the President clarify its policies related to the eligibility of employees for certain benefits. In addition, the Office of the President should install automated checks in the Payroll/Personnel System to disallow or flag entries that violate university policy.

University Action: Partial corrective action taken.

The university reports that it has clarified its policies by providing training sessions for campus administrators and establishing an administrative web site to help campus administrators understand and implement the new policies. Additionally, articles describing the new policies have appeared in recent issues of the university's human resources publication, which is widely distributed to university staff and academic employees. Finally, the university also states that it has reviewed and modified the Payroll/Personnel System and the Corporate Personnel System to comply with the new rules and to allow the Office of the President to monitor campus compliance with changes in temporary employment policies. The university plans to test the accuracy and completeness of prototype reports from these systems, which the university intends to use to identify any trends that have to be brought to the attention of individual campuses.

